

Unfortunately, it's a hoax. One creator of the DSL program was a Republican with solid fiscal conservative credentials—me. It was developed not by the reviled liberal Clinton, but by the Bush administration.

And there is far more free enterprise in DSL—and less bureaucracy—than in the bloated Guaranteed Student Loan (GSL) program. I dislike the term "corporate welfare," but if any program deserves that title, it's guaranteed student loans.

Here are conservative principles I believe in: substituting market forces for political forces; simplifying programs and cutting bureaucracy; saving taxpayers money.

On all counts, killing the DSL program goes in the wrong direction.

All major functions under DSL are run through private sector services under competitively bid contracts. This competition is bringing down the cost of those contracts via market forces.

Under the guaranteed student loan program, all payment levels are determined politically by Congress—not by the free market. Here's just one example of the resulting built-in profits: While the student is in school or during the six-month grace period following school (a period averaging 2.5 years for each loan), the lender does nothing but collect interest directly from the government at 2.5 percent above the Treasury-bill rate on paper that's as good as a Treasury bill. It's a system of political entitlements, and any conservative ought to prefer the competitive bidding system under direct loans.

The Education Department says it can manage all direct loans with only 400 employees. All important business functions—loan origination, servicing, debt collection—are handled by private firms, with Education Department supervision.

But overseeing 7,100 guaranteed bank lenders takes 525 Education Department employees and another 5,000 employees in 41 federally subsidized guaranty agencies. It's a bureaucratic nightmare.

Congress can easily oversee the direct program because it involves relatively few contractors, all of whom have incentives to do a good job in order to win additional contracts.

But there's little supervision of the guaranteed program's guaranty agencies. Congress isn't looking over their shoulders because they're not federal entities. State legislatures aren't interested because the guaranty agencies aren't state-funded. And they have no stockholders to answer to. Unsurprisingly, the result is abuse.

In one case, a guaranty agency's chief executive officer earns \$700,000 a year plus untold benefits. Some 15 other employees in the same agency earn more than the U.S. secretary of education. In another, board members set up a for-profit corporation to provide services to the guaranty agency that they controlled. More taxpayer money goes largely unchecked in these agencies for platinum parachutes, perks, lavish pensions, executive cadillacs and dining rooms and retreats at posh resorts.

Little wonder the lending moguls want to kill direct lending. Their cause is helped by various scoring errors (including some they lobbied for) that make direct lending look more expensive than guaranteed. The worse is the assumption of a high long-term interest rate as the cost of the federal funds used to make the direct loan. That would be appropriate if the interest rate that student borrowers paid were fixed, but it's not. It's variable, based on 91-day Treasury bills; so these loans do not carry the kind of interest-rate risk that a long-term rate discounts. Indeed, no private bank treats variable-rate loans the way the Congressional Budget Office treats direct student loans.

In general, it's inconceivable that a simpler program based on competitive bidding could be more expensive than a vastly more complex one based on politically negotiated entitlements. Especially when the complex one actually encourages defaults—because guaranty agencies get to keep 27 cents of every dollar they collect *after* a default and their costs for those collections average only 13 cents on the dollar.

Some Republicans believe that if President Clinton supports a program, that program must be opposed. Right now, Mr. Clinton is telling the American people that the GOP Congress is trying to shut down a conservative reform effort, which is good for both students and schools, in order to keep the gravy flowing to powerful special interests.

In this case, the president is right.●

#### DAPCEP

● Mr. LEVIN. Mr. President, the Detroit Area Pre-College Engineering Program, Inc. [DAPCEP], is celebrating its 20th anniversary in this year. The organization was founded in 1976 with a grant from the Alfred P. Sloan Foundation. DAPCEP's mission is "to increase the number of minority students who are motivated and academically prepared to choose careers in science, engineering and technical fields."

In its first year, 245 students took DAPCEP enrichment courses offered through 1 high school and 2 universities. Today, the organization serves more than 5,000 sixth through twelfth graders each year, through a collaboration with 8 universities, 64 Detroit public middle schools and high schools, 30 local corporations, and an active parent group. DAPCEP also receives funding from the National Science Foundation, the State of Michigan, and the city of Detroit. Current DAPCEP programs include an in-school component with hands-on research, experiments and science fairs; Saturday morning classes; and summer enrichment programs. DAPCEP also offers mentoring, tutoring, summer jobs, scholarships, and teacher training.

DAPCEP was featured on the NBC "Nightly News" in April 1995 in a story highlighting successful extracurricular enrichment programs. DAPCEP students captured 62 percent of the top awards given at the 1995 Metropolitan Detroit Science and Engineering Fair, one of the largest and most successful fairs in the Nation. Recognized nationally as a model for pre-college programs, DAPCEP was named by Crain's Detroit Business as the 1995 Best-Managed Nonprofit for nonprofits having budgets larger than \$2.5 million.

Through working to further the study of science and engineering for all, DAPCEP has made a great contribution to our local community and our country as a whole. I know that my Senate colleagues join me in congratulating the Detroit Area Pre-College Engineering Program on its 20th anniversary.●

#### AUTISM AWARENESS MONTH

● Mr. DOMENICI. Mr. President, I have long been active in issues of impor-

tance for individuals suffering from a mental illness or disability. Through my efforts in this area, I have become familiar with the vast spectrum of these disorders, and I have found that we as a society have much to learn about both the causes and cures for these illnesses. Knowledge of the medical conditions underpinning these disorders has only recently begun to make progress by leaps and bounds, and I fear that public awareness and knowledge has not grown in step. Because society is still unfamiliar with these advances, an aura of fear and suspicion persists with regard to any one of the illnesses or disorders which afflict so many Americans. It is because of this widespread lack of knowledge and understanding that I add my support in recognition of the National Autism Society's designation of January as "National Autism Awareness Month."

Autism is a neurological disorder that interrupts the brain's ability to process and understand information. Nearly 400,000 Americans suffer from this disorder, making it more prevalent than Down's syndrome or muscular dystrophy.

Autism is a complex, spectrum disorder that manifests itself in many ways. Symptoms and characteristics present themselves in a variety of combinations, and no two children or adults are affected in the same way.

Autism is not curable, but it is treatable. Many types of treatments have proven effective in combating this disorder, and improvements are being discovered every day.

A generation ago, nearly 90 percent of those suffering from autism were placed in an institution. Today, group homes, assisted living arrangements, and home care are much more common. Thanks to the Individuals With Disabilities Education Act, many children with autism receive appropriate education and go on to become contributing members of the work force.

In April 1995, in response to direction from Congress, the National Institutes of Health [NIH] held a State-of-the-Sciences Conference on Autism. Conference participants included scientists, clinicians, and parents. The conference highlighted how far we have come in diagnosing and treating autism, but also illuminated how far we have yet to go. National Autism Month is designed to bring attention to these issues, and seeks to further the Nation's understanding of this complicated and debilitating disorder. I fully support the National Autism Society's designation of January as "National Autism Awareness Month." I share their goal of teaching America more about this disorder, and I welcome my colleagues' support as well.●

#### ORDER OF BUSINESS

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.